

---

## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 3.11.2010

Wall Street Journal: "Where Is GMAC Exit Strategy? Asks Panel ... The U.S. Treasury Department has no clear exit strategy for its investment in GMAC Financial Services, raising the specter of billions in potential losses, a congressional watchdog said in a report Thursday."

Wall Street Journal: "Bank of China: Not Interested in Acquisitions ... The chairman of Bank of China, one of the country's biggest state-owned lenders, said he wants to grow aggressively overseas but isn't interested in acquisitions, a sign that China's banks remain wary of investing in foreign financial institutions despite the recovering global economy."

Wall Street Journal: "Credit Market Springs to Life ... Companies are aggressively borrowing in the debt markets once again-a sign of renewed confidence in the world economy following recent fears that struggling European countries could have difficulty financing their budget deficits."

Washington Post: "Politics, shaky economy create no rush to restructure Fannie and Freddie ... The federal government has spent the past half year seeking to roll back its emergency efforts at propping up the financial markets -- with the notable exception of its involvement in mortgage giants Fannie Mae and Freddie Mac."

Washington Post: "Compromise would shield payday lenders, pawnbrokers and car dealers from oversight ... Payday lenders, pawnbrokers, car dealers and other companies that make loans but do not hold bank charters would be shielded from the scrutiny of a proposed federal consumer protection regulator under the terms of a tentative compromise between senators who are attempting to craft a bipartisan bill."

Washington Post: "Familiar hurdles for U.S. as it ramps up pressure on firms doing trade with Iran ... Congress and the Obama administration are stepping up pressure on private companies to stop doing business with Iran, but their efforts are running into the same problems U.S. sanctions have encountered for three decades -- reluctance in Europe and a host of elusive trading companies eager to sell gasoline and other goods to Iran."

Washington Post: "Finding solid footing as banks' overdrafts get overhauled ... I've been noticing a lot of notice fatigue lately. By now, you may have become a bit overwhelmed with correspondence from your bank or credit union about mandated changes to your credit card account."

Washington Post: "FHA considers down payment requirements ... The Federal Housing Administration has concluded that its loan volume would have dipped by 40 percent in the next fiscal year and that 300,000 first-time home buyers would have been shut out of the housing market if it had raised its down payment requirements, as critics have pressured it to do, a top housing official plans to tell Congress on Thursday."

Washington Post: "Wall Street could learn from book that finds money isn't everything ... You would have thought that after the junk-bond scandals of the 1980s, the tech bubble of the 1990s and our recent market meltdown, Wall Street would have finally acknowledged the folly of trying to motivate employees through outsize performance bonuses."

NY Times: "A.I.G.'s Sale of Its Taiwan Unit in Regulatory Limbo ... American International Group has managed to reach agreements for jumbo asset sales this month, but a smaller disposal - that of its life insurance unit in Taiwan, Nan Shan Life - remains in regulatory limbo."

NY Times: "Senate Bill on Finance to Include Agency That Tracks Financial Risk ... Senate Banking Committee members from both parties said on Wednesday that they had agreed to include in their regulatory overhaul bill a new Office of Research and Analysis that would provide early warnings of possible systemic collapses."

LA Times: "BoFA cuts debit card overdrafts ... Bowing to complaints of fee gouging, Bank of America said Wednesday that, starting this summer, it would deny transactions for customers using debit cards if they didn't have funds in their accounts to cover the charges."

LA Times: "Investors can soon make bets on movie box office ... Welcome to Hollywood's newest version of risky business: movie derivatives."

Bloomberg: "Naked Swaps Crackdown in Europe Rings Hollow Without Washington ... European politicians and regulators could initiate a continent-wide ban on speculative trading of sovereign credit-default swaps tomorrow. Making it stick without the Americans won't work."

Seeking Alpha: "Bernanke's Dilemma: Hyperinflation and the U.S. Dollar ... Ben Bernanke, Chairman of the US Federal Reserve, faces a Sisyphean task because US banks are experiencing debt deflation and, because lending is now at much lower levels, monetary deflation is encumbering the domestic US economy as existing debts continue to be serviced."

Politico: "Chris Dodd irks Democrats on Volcker rule ... A group of Senate Democrats is championing legislation to quash big banks' high-risk trading activities, even though the measure was deemed dead on arrival last week by top Senate financial reform negotiators."